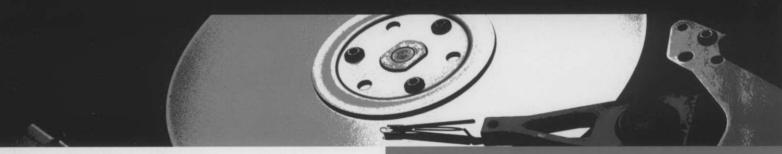


Indiana Department of Commerce

2004 Annual Report





Doing Business in Indiana

Increased Focus on Helping Small Business

The Office of Small Business Advocacy was created in 2004 as a central resource for small businesses. Commerce launched two new services for small business owners, including SmallBizU and RegWatch. SmallBizU is the largest collection of online small business training resources with 18 courses. Since the October launch, 740 companies have registered. RegWatch is an online notification process where businesses can sign up to receive free information about proposed rules before they are implemented.

New Certified Technology Parks Attract High-Tech Jobs

Awarded to communities who forge partnerships between business, academic and government sectors, eight new Certified Technology Parks were established in 2004 including parks in Scottsburg, Columbus, Daviess County, Evansville, Muncie, Kokomo, Richmond and Terre Haute. Commerce provided \$9 million in additional support to communities through the Technology Development Grant Fund for land acquisition and infrastructure improvements at the parks.

Increasing the Flow of Venture Capital Funding to Indiana

In 2004, 41 companies were certified through the Venture Capital Investment Tax Credit program. Commerce awarded \$3.3 million in tax credits to investors that provided \$15 million to certified start-up businesses.

Indiana Businesses Compete Successfully in Global Market

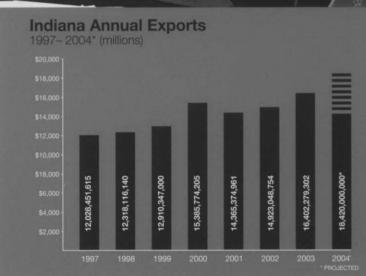
For the first three quarters of 2004, Indiana exports accounted for nearly \$15 billion in Hoosier goods and services purchased globally, a 16.2 percent increase from the first three quarters of 2003. To proactively help businesses break into global markets, the Office of International Trade worked with hundreds of Indiana companies, linking them to the State's 12 foreign trade offices and providing \$102,000 in financial assistance to 41 businesses through the Trade Show Assistance Program.

Energy & Recycling Office Helps Businesses Develop Energy-Efficient Practices

The Energy & Recycling Office awarded \$1 million in grants through the Advanced Energy Technologies Program to four Indiana companies in 2004 to develop energy-efficient manufacturing techniques and products.

Incentives Boost Recycling Efforts Throughout the State

To assist in the production, marketing and purchase of recycled-content products in Indiana, the Energy & Recycling Office provided approximately \$2 million in zero-interest loans and more than \$412,000 in grants to businesses and local governments through the Recycling Promotion and Assistance Fund.



New Benchmarking Tools Will Help Track Progress

With assistance from Commerce, the Indiana Business Research Center made significant upgrades to the StatsIndiana Web site (www.stats.indiana.edu) that now provides a "States IN Profile section." The site provides detailed state-to-state comparisons of key metrics at the click of a button. This tool provides a one-stop shop for the most current and reliable data to help businesses, communities and policy-makers track progress.

By The Numbers

\$360 Million Incentives Awarded to New and Expanding Businesses

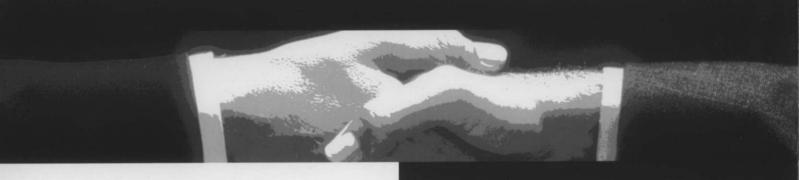
\$2.8 Billion Private Investment Leveraged Through

54.280 Hoosier Workers Trained

16.641 New Jobs Created

2004 Broadband Connection Far Surpasses Goal

At the inaugural broadband conference in 2003, an initial goal was set to increase Internet connections by 33 percent each year. Research conducted by Commerce indicates Indiana doubled the number of high-speed Internet connections in the past year. More than 450,000 users, including small businesses and residential customers, now have access to the Internet.



Selling the State

In 2004, the Marketing and Public Affairs team took bold steps to strengthen Indiana's reputation as an economic power and promote Indiana as truly a "state of progress."

Building Relationships Beyond State Borders

To help lure new businesses to Indiana, Commerce implemented an aggressive outside sales program through 20 trips to 11 major cities — establishing relationships with site selection consultants and potentially relocating businesses throughout the country.

Reaching Out to Hoosier Businesses

Commerce's Regional Offices coordinated 1,361 face-to-face meetings with existing businesses, arming them with the tools they need to continue to grow, including information on incentive programs and recent tax restructuring. With help from the Indiana General Assembly, the meetings were enhanced by a \$1 million marketing campaign and the distribution of targeted direct mail pieces that reached nearly 23,000 businesses throughout the country. Of the business leaders who recall the print or television ads, 42 percent believe that Indiana is a progressive place to do business and 45 percent agree that the state is making positive changes to the business climate.

Web Site Overhaul Enhances Competitiveness, Improves Service Delivery

Tailored to our customers' needs, Commerce's newly revamped Web site (www.indianacommerce.com) provides businesses, communities and visitors with easily accessible information on grants, economic development incentives, industry research reports and local contact information. In addition, site selection consultants and businesses will soon have the opportunity to search for available sites and buildings in Indiana through a GIS-based online database developed in conjunction with the Indiana Economic Development Association.

Outdoor Recreation Guide to Lure Visitors in 2005

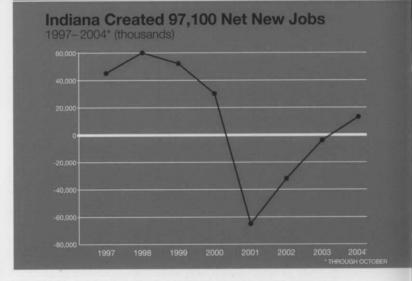
Featuring more than 1,000 challenging activities throughout the state, the new Outdoor Recreation Guide will be distributed to 750,000 recreation enthusiasts in 2005. The result of a partnership between the Office of Tourism, the Indiana Department of Natural Resources and the Recreational Vehicle Indiana Council, the guide will help build awareness of outdoor venues and motivate travel by showcasing the state's natural environment.

Tourism Launches New Interactive Travel Guide

Two million people took advantage of the new interactive travel guide on www.Enjoylndiana.com, the State's official Web site promoting Indiana as a travel destination. After visiting the site, 1.3 million people took an overnight trip in Indiana.

Building Awareness and Increasing Visibility

In 2004, Commerce produced and distributed nearly 5 million pieces of literature and reached more than 50 million customers through advertising campaigns. Visitors to Commerce's Web site viewed more than 7 million pages of information on business development, community development and tourism-related topics.



Despite the national recession of 2001–2002 Indiana created 97,100 jobs between 1997–2004.



Tourism Product Development

Tourism Groups Receive Boost from New Grant Program

Nearly \$600,000 in funding was distributed by the Office of Tourism through the new Quality of Place Initiative. Eleven organizations received grants to support market research, feasibility studies, competitive market analysis and business plan development for significant new projects.

Agri-Tourism Brings New Energy to the Tourism Industry

The Office of Tourism and the Office of the Commissioner of Agriculture joined forces in 2004 to lead five agri-tourism workshops throughout the state. Attracting more than 325 participants, the workshops helped to establish a network of agriculture-related tourism groups that will work together in promoting Indiana farms, wineries, orchards and other venues as travel destinations. In addition, legislation passed in 2004 calls for two additional seats on the Indiana Tourism Council that will represent the interests of the agri-tourism community.

By the Numbers

58 Million People Visiting Indiana

\$6.7 Billion Visitor Spending Generated in 2004

97,000 Hoosiers Employed in the

Tourism Industry

117 Production Days Logged by

Commerce's Film Development Staff

\$1.8 Million Private Investment in Film and

Video Industry

Maximizing Tourism Advertising Dollars

Indiana visitors spent \$618 for every dollar invested in marketing, an 8 percent increase over the amoun of visitor spending leveraged through the 2003 advertising campaign.

Strengthening Our Communities

Downtown Revitalization Projects Attract New Businesses, New Jobs

In 2004, Indiana Main Street worked with 173 communities throughout the state to help revitalize downtowns. Among the 52 communities with organized Main Street programs, 198 new businesses opened in historic commercial districts, adding 997 new jobs. These 52 communities also generated more than \$50 million in public and private investment.

Rural Communities Strengthen Competitiveness Through New Grant Program

More than \$7.2 million in grants were made available to rural communities in 2004 through two new grant programs administered by the Indiana Rural Development Council. The Rural Regional Partnership Program and the Rural Development Action Program will support economic development strategies and activities in rural communities throughout Indiana.

Community Development Grants and Incentives

\$2.5 million in tax credits through the Neighborhood Assistance Program were awarded to nonprofit organizations throughout the state to support neighborhood-based programming in economically disadvantaged areas.

More than \$29 million in Community Focus Fund grants were awarded in 2004 to support infrastructure improvements, community centers, downtown revitalization projects, and upgrades to fire protection services.

In 2004,

we continued to grow jobs, attract new businesses and streamline government to better meet our customers' needs. In this report, we are presenting a wide array of accomplishments from the Indiana Department of Commerce, a culmination of our aggressive investment in economic development through Energize Indiana, historic taxrestructuring, and the creation of a decentralized service delivery system through Commerce's 12 Regional Offices.



As we have continued on this path of progress, we have seen exciting results. In the past eight years, we have awarded \$112 million in training grants to upgrade the skills of 363,882 existing Hoosier workers, welcomed 97,000 net new jobs to the state, and continued to increase our competitiveness, exporting more than \$112 billion in Hoosier goods.

We've built a strong foundation for Indiana's future, making our state the best place to visit, raise your family and grow a business.

Thank you for your contribution in putting Indiana on the map. It has truly been a pleasure serving the citizens of the state of Indiana.

Sincerely,

Governor

Joseph E. Kernan

Iseph Z. Leman

Katherine L. Davis
Lt. Governor

Special Thanks to Our Marketing Partners

American Electric Power

Ball State University

Baxter Pharmaceutical Solutions

BioCrossroads

Bloomington Economic Development Corporation

Cineray/PSI

Clinton County Chamber of Commerce

City of Marion

Columbus Economic Development Board

Crawford County Economic Development Commission

Daviess County Growth Council

Delaware County Economic Development Corporation

Dow AgroScience

East Central Indiana Development Counci

Economic Development Corporation of Wayne County

Fifth Third Bank

Force Construction Company Inc.

Fort Wayne-Allen County Economic Development Alliance

Grant County Economic Growth Council

Greenbaum Doll & McDonald

Greencastle/Putnam County Development Center

Hendricks County Economic Development Partnership

Hoosier Energy

Indiana Centers for Applied Protein Sciences (INCAPS)

Indiana Health Industry Forum

Indiana Municipal Power Association

Indianapolis Power & Light Company

The Indy Partnership

Jackson County Industrial Development Corporation

Jennings County Economic Development Commission

Knox County Development Corporation

Lafavette-West Lafavette Economic Development Corporation

M.I Insurance In

Madison-Jefferson County Economic Development Corporation

Morgan County Economic Development Corporation

Muncie-Delaware County Economic Development Alliance

Northern Indiana Public Service Company (NIPSCO)

Perry County Development Corporation

Purdue Research Foundation

Rose Hulman Ventures

South Central Indiana Economic Development

Southwest Indiana Development Corporation

Space Hardware Optimization Technology Inc. (SHOT

Tarra Houte Economic Development Corneration

Terre Haute Economic Development Corporation

Vectren Corporation

Vermillion County Economic Development Counci

Vicinn-

Wabash Valley Power Association



New and Expanding Companies in 2004

Acuity Lighting Advanced Microelectronics Inc. Aisin Drivetrain Inc. Aisin U.S.A. Manufacturing Inc. Alcan Composites USA Inc Alcoa Power Generating Inc. Alcoa Warrick Operations Alphabet / Portland Division AM General Corporation LLC American Keeper Corporation American Signature Inc. American Woodmark Corporation Aprimo Inc. Arvin Sango Inc. Atlas Logistics Retail Services LLC Austin Tri-Hawk Automotive Inc. Baker Hill Corporation Baxter Pharmaceutical Solutions LLC Beckett Bronze Co. Inc. Bedford Machine & Tool Benco Dental Supply Company Bendix Commercial Vehicle Systems LLC Best Chairs Inc. BioStorage Technologies Inc. Bippus State Bank Blue River Stamping Inc. Boeina Bohn Aluminum Corporation Bollhoff-Rivnut Inc. Bombay Company Inc. Boramco Inc. BRC-Hartford City Division BrickCraft LLC Bristol-Myers Squibb Company Busche Enterprise Division Inc. Byrider Franchising Inc. C&D Technologies Inc. Carncar Division of Textron Inc. Casting Technology Company Caterpillar Logistics Services Inc. Celadon Trucking Services Inc. Century Marble Company Charleston Metal Products Inc. CMD Manufacturing Inc. CME Automotive Corporation Coachmen Recreational Vehicle Company LLC Colgate Palmolive Company ConAgra Foods Cook Inc

Copeland Corporation

Criterion Catalysts & Technologies

Cuno Water Treatment Curtis Dyna Fog Ltd. Custom Building Products Custom Business Solutions D.A. Inc. DaimlerChrysler Dakota Engineering Inc. Delco Electronics Corporation Delphi Automotive Systems Delphi Delco Electronics Systems Delta Faucet Company Dorel Juvenile Group Inc. Dover Industries Inc. Dynamic Bar Products LLC ECA Enterprises Inc. Edy's Grand Ice Cream Elco Textron Inc. Emerson Appliance Controls Emhart Teknologies Engineered Cooling Systems Excel Mining Systems Exopack LLC FCC Manufacturing LLC Federal Mogul Corporation Firestone Building Products Company Forest River Inc. Fort Wayne Metals Research Fort Wayne Pools Inc. Fujicolor Processing Inc. Galbreath Inc. GDS of Indiana Geberit Manufacturing General Cable Corporation General Products Corporation Gramtel USA Inc. Guardian Automotive Products Inc. Gulf Stream Coach Inc. Harcourt Industries Inc. Harlan Sprague Dawley Inc Harman/Becker Automotive Systems Heartland Automotive LLC Heartland Packaging Corporation Heitink Veneers Inc Helmer Labs Inc. Holcomb & Hoke Manufacturing Inc. Home Design Products Honeywell International Engines Systems and Services Hoosier Heartland Industrial Corridor Inc. Imaging Office Systems Inc. IMCO Inc.

Indiana Building Systems LLC Indiana Packers Corporation Indiana Tube Corporation Indianapolis Woodworking Inc. Industrial Dielectrics Inc. Integrity Pharmaceutical Corporation International Steel Group Inc. International Truck & Engine Corporation Ispat Inland Inc. Jeco Plastic Products LLC Johnson & Johnson Associates Inc. Johnson Controls Inc. Kautex-Textron Company Kelley Dental Inc King Systems Corporation Lehigh Cement Company Lenoco Technologies LLC Linden Creek Enterprises M & S Precision Machine Inc. Mac Machine & Metal Works Inc Macsteel Heat Treating Division Mahomed Sales & Warehousing LLC Manchester Tank & Equipment Mann + Hummel USA Inc. Masco Support Services Metaldyne Sintered Components Milbank Manufacturing Co. Mirwec Film Inc Moore Langen Printing Co. Moore Wallace Inc. Moore's Country Wood Crafting Inc. Morgan Adhesives Company Mount Vernon Industrial Foundation Inc. Multi-Plex / Davis Automotive Group Mursix Corporation Nachi Technology Inc NexLink Solutions LLC NNC Group LLC North Vernon Industry Corporation Northbend Pattern Works Norwood Promotional Products NTK Precision Axle Corporation NTN Driveshaft Inc. Numerical Productions Inc. Olon Industries Inc. O'Neal Steel Inc. Osborn International Parker Hannifin Corporation PC Specialist dba Technology Integration Group Pepsi-Americas Vending LLC Pepsi-Cola General Bottlers Inc. Perpetual Technologies Inc.

PFG Customized Distribution PK USA PQ Corporation Productive Concepts Inc. R.R. D. Direct Seymour Ready Machine Tool & Die Corporation Reeder & Kline Machine Company Inc. Rexam Medical Packaging Rexnord Industries Inc. Rieke Corporation Robert Bosch Corporation Roche Diagnostics Roeing Corporation ROHN Products Inc. SalesLink Corporation Schilli Transportation Services Inc. Schwarz Pharma Manufacturing Inc. Sea Hawk Recreational Vehicles Inc. Silgan Closures LLC Sintering Technologies Inc. SIRVA Inc. Small Parts Inc Smurfit Stone Container Corporation Software Engineering Professionals Inc. Solution Technology Inc. SPX Contech Standard Motor Products Inc. Stanley Access Solutions Stanrail Corporation Stant Manufacturing Inc. Steel Dynamics Inc Sterling Creek Software LLC Subaru of Indiana Automotive Inc. Superior Alumninum Alloys LLC Sur La Table Symmetry Medical Inc. TASUS Corporation Therma-Tru Corporation ThyssenKrupp Presta TOA LLC Transilwrap Company Inc. Tru-Form Steel Wire, Inc. Tyson Foods Inc. Unicell Paper Mills United Technologies Electronic Controls Inc. Universal Music Group Waterfield Mortgage Company Western Consolidated Technologies Whirlpool Corporation Wieland Designs Inc. Wolf Detroit Envelope Company Zotec Solutions Inc.



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